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MICHIGAN LABOR MARKET REVIEW

JOB SERVICE
Michigan Employment Security Commission

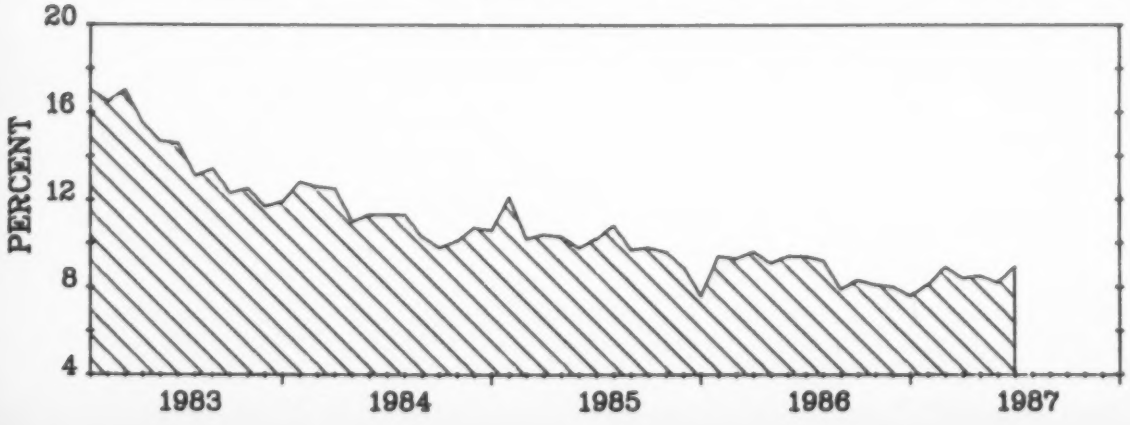
STATE'S JOBLESS RATE RISES AS SUMMER LABOR FORCE EXPANDS

Michigan's unemployment rate jumped by seven tenths of a percentage point during the month as the jobless rate grew from 8.2 percent in May to 8.9 percent in June. The rate increase represents 39,000 additional individuals out of work, as total state residents seeking employment climbed to 408,000. The rise in joblessness was primarily a result of a large number of young people entering the workforce seeking summer employment. Total employment in June registered a gain as the number of employed residents rose by 16,000 to reach 4,166,000. Additionally, the civilian labor force reached an all-time record high of 4,574,000, an advance of 56,000 over month ago figures. Compared with a year ago, employment in Michigan has increased by 153,000, while the size of the labor force has expanded by 145,000. In June 1986, the total number of persons out of work amounted to 416,000, representing an unemployment rate of 9.4 percent.

EMPLOYMENT LEVEL CONTINUES TO GROW

Wage and salary employment in Michigan increased for the fifth consecutive month as total industry jobs rose to 3,718,000 in June. Employment opportunities increased by approximately 13,000 as gains were centered in both the goods producing and service producing sectors of the economy. Total employment in the goods producing industries, edged upward by 9,000 primarily as a result of seasonal advances in the construction industry. Service producing employment rose by 3,000 to 2,589,000 in June, as retail trade gains offset governmental losses. Public sector positions plunged by 10,000 as educational facilities cutback for the summer recess period. Since June 1986, industry employment in Michigan has increased by 66,000 positions or 1.8 percent. Approximately 78,000 service producing jobs have been added throughout the year, while goods producing employment declined by 13,000.

MICHIGAN UNEMPLOYMENT RATES (1983–1987)



Civilian Labor Force, Employment, and Unemployment Estimates

State of Michigan

ITEM	JUNE 1987	MAY 1987	APRIL 1987	JUNE 1986
PLACE OF RESIDENCE				
Civilian Labor Force	4574	4518	4451	4429
Employment	4166	4150	4072	4013
Unemployment	408	369	379	416
Rate	8.9	8.2	8.5	9.4
PLACE OF WORK				
Wage and Salary Employment	3718	3705	3686	3652
Goods Producing Industries	1128	1119	1115	1141
Construction and Mining	151	146	134	131
Mining	11	11	11	11
Construction	140	135	123	121
Special trade Contractors	90	87	81	77
Other Construction	50	48	42	44
Manufacturing	977	972	981	1009
Durable Goods	754	751	761	790
Lumber and Wood Products	14	14	14	14
Furniture and Fixtures	29	28	27	27
Stone, Clay and Glass Products	17	17	17	17
Metals	167	167	168	174
Primary Metals	48	48	49	50
Fabricated Metals	119	119	119	124
Nonelectrical Machinery	125	124	126	135
Electrical Machinery	38	38	38	38
Transportation Equipment	341	342	349	363
Motor Vehicles and Equipment	318	319	326	342
Other Transportation Equipment	23	23	23	21
Other Durable Goods	22	22	22	22
Nondurable Goods	223	221	220	219
Food and Kindred Products	47	45	44	46
Textiles and Apparel	24	23	24	23
Paper and Allied Products	21	21	22	21
Printing and Publishing	38	38	38	38
Chemicals and Petroleum	44	44	43	43
Other Nondurable Goods	49	49	49	47
Rubber and Plastic Prod.	47	47	47	44
Leather Products	2	2	2	3
Service Producing Industries	2589	2586	2571	2511
Trans., Comm. and Utilities	151	151	149	145
Transportation and Utilities	116	116	114	112
Communications	35	35	35	33
Wholesale Trade	180	178	177	178
Durable Goods	116	115	115	115
Nondurable Goods	63	63	62	63
Retail Trade	668	661	648	642
General Merchandise Stores	93	93	92	92
Food Stores	91	90	89	89
Automotive Dealers and Services	74	74	73	73
Eating and Drinking Places	242	236	228	227
Other Retail Trade	168	168	166	161
Finance, Insurance and Real Estate	182	180	177	172
Finance	92	91	90	89
Insurance and Real Estate	90	88	87	83
Services	806	805	801	788
Business Services	171	173	172	166
Health Services	268	267	267	265
Other Services	366	366	362	357
Government	602	612	618	587
Federal	61	61	60	61
State	145	149	161	134
Local	397	401	397	392
Labor Disputes	0	0	0	5

CIVILIAN LABOR FORCE data are based on the monthly Current Population Survey of the U.S. Bureau of Labor Statistics - 1986 Benchmark.
WAGE AND SALARY EMPLOYMENT is based on a monthly sample of employing establishments as part of the cooperative federal-state Current Employment Statistics program - March 1986

CLAIMS ACTIVITY

The number of individuals collecting regular unemployment benefits increased for the second consecutive month in June. The regular benefits claims load averaged 109,537 per week during the month, approximately 8,020 more than the May total.

The eight percent increase in the monthly average was primarily due to the influx of summer jobseekers into the labor force. In June 1986, the number of claimants drawing benefits under the regular benefit program averaged 87,163, or approximately 20 percent lower than the present total.

WEEKLY CLAIMS FOR UNEMPLOYMENT INSURANCE

Week Ending	Michigan			Detroit		
	Total	Initial	Continued	Total	Initial	Continued
June 06, 1987	121,700	14,300	107,400	60,100	6,400	53,700
June 13, 1987	114,900	13,600	101,300	56,500	6,300	50,200
June 20, 1987	118,500	18,300	100,200	56,700	7,900	48,800
June 27, 1987	123,900	14,900	109,000	58,900	6,200	52,700

PRICES DECLINE SLIGHTLY IN DETROIT METROPOLITAN AREA

Consumer prices in the Detroit metropolitan area decreased from 330.5 in April to 330.2 in June. The decline in Detroit area prices was primarily due to lower costs for men and women's apparel. Prices in the area climbed by 2.9 percent since June 1986, when the consumer price index stood at 321.0. At the national level, the cost of living advanced by four tenths of a percent to reach 340.1 during the month. The higher national prices were due to additional costs for transportation and housing. Between June 1986 and June 1987, national consumer prices increased by 3.7 percent. One year ago, the national index registered 327.9. Note: Beginning in January 1987, the Detroit index which was previously published monthly, is now issued only for even numbered months.

HOURS AND EARNINGS

The average workweek of Michigan workers in manufacturing industries decreased to 41.9 hours in June. The decrease occurred primarily as a result of fewer hours worked by individuals in the automotive and nondurable goods industries.

During the month average hourly earnings rose by four cents to $12.92, while average weekly earnings increased by thirty nine cents to total $541.35. In June 1986, earnings averaged $12.78 an hour or $540.59 per week for a 42.3 hour workweek.

MICHIGAN'S HOURS AND EARNINGS

Industry	Average Hourly Earnings a/			Average Weekly Hours a/			Average Weekly Earnings a/		
	June 1987	May 1987	June 1986	June 1987	May 1987	June 1986	June 1987	May 1987	June 1986
TOTAL MANUFACTURING	$12.92	$12.88	$12.78	41.9	42.0	42.3	$541.35	$540.96	$540.59
DURABLE GOODS	13.48	13.39	13.33	42.2	42.3	42.5	568.86	566.40	566.52
Primary Metal Products	12.76	12.74	12.12	43.2	43.0	42.6	551.23	547.82	516.31
Fabricated Metal Products	12.70	12.65	12.63	41.6	41.4	42.6	528.32	523.71	538.04
Nonelectrical Machinery	13.12	13.03	12.90	43.1	42.9	42.6	565.47	558.99	549.54
Electrical Machinery	11.12	10.89	10.71	41.1	40.7	42.9	457.03	443.22	459.46
Motor Vehicles & Equip.	15.35	15.23	15.25	42.4	42.8	42.8	650.84	651.84	652.70
NONDURABLE GOODS	10.86	11.03	10.66	40.8	41.2	41.5	443.09	454.44	442.39
Contract Construction	15.55	15.62	15.61	39.2	39.0	37.9	609.56	609.18	591.62
Department Stores	6.22	6.30	6.68	27.8	27.4	27.8	172.92	172.62	185.70

a/ *Average weekly and hourly earnings are computed from aggregates of individual establishment reports utilizing the total amount paid to production workers and total production hours. Average weekly and hourly earnings differ from weekly and hourly rates in that they are affected by overtime wage rates, part-time earnings, the length of the workweek, etc.*

Note: *Current month data are preliminary.*

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT ESTIMATES
JUNE 1987 (Preliminary)

Area	Civilian Labor Force	Total Employment	Total Unemployment	Unemployment Rate
United States	121,153,000	113,498,000	7,655,000	6.3
Michigan	4,574,000	4,166,000	408,000	8.9
Major Labor Markets				
Ann Arbor MSA	156,400	148,400	7,900	5.1
Battle Creek MSA	63,500	58,100	5,400	8.5
Benton Harbor MSA	77,300	70,800	6,500	8.4
Detroit MSA	2,242,000	2,043,000	199,000	8.9
Flint MSA	205,500	178,900	26,600	13.0
Grand Rapids MSA	341,700	317,700	24,000	7.0
Jackson MSA	63,000	57,300	5,700	9.0
Kalamazoo MSA	113,200	106,400	6,800	6.0
Lansing MSA	236,900	220,000	16,900	7.1
Muskegon MSA	69,000	61,300	7,700	11.2
Saginaw-Bay-Midland MSA	188,700	170,000	18,800	9.9
Major Counties (15,000+)				
Allegan	53,800	50,350	3,475	6.4
Barry	21,250	19,525	1,725	8.2
Bay	54,775	48,500	6,275	11.5
Branch	17,525	16,150	1,350	7.8
Cass	24,050	22,275	1,775	7.4
Clinton	29,850	27,450	2,400	8.0
Delta	16,100	14,350	1,750	10.9
Eaton	50,800	47,800	3,000	5.9
Grand Traverse	34,125	31,225	2,900	8.5
Gratiot	18,075	15,400	2,675	14.8
Hillsdale	19,325	17,525	1,825	9.4
Huron	16,175	14,475	1,700	10.5
Ingham	156,225	144,750	11,475	7.3
Ionia	18,850	16,675	2,175	11.6
Isabella	26,350	24,550	1,800	6.8
Kent	253,125	234,125	19,000	7.5
Lapeer	33,825	29,725	4,100	12.1
Lenawee	42,000	38,125	3,875	9.2
Livingston	51,875	48,625	3,250	6.3
Macomb	387,575	351,700	35,875	9.3
Marquette	27,675	25,125	2,550	9.2
Midland	36,675	33,550	3,125	8.5
Monroe	64,725	58,800	5,925	9.2
Montcalm	21,750	19,250	2,525	11.6
Newaygo	16,950	15,300	1,650	9.8
Oakland	586,675	544,000	42,700	7.3
Ottawa	88,575	83,550	5,025	5.7
Saginaw	97,300	87,925	9,375	9.6
St. Clair	67,500	60,025	7,500	11.1
St. Joseph	26,875	23,975	2,900	10.8
Sanilac	20,475	18,400	2,075	10.1
Shiawassee	34,150	29,800	4,350	12.7
Tuscola	23,100	20,225	2,875	12.4
Van Buren	31,550	28,250	3,300	10.5
Wayne	1,050,300	950,525	99,775	9.5

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